

WARREN COUNTY TREASURER

Francis X. O'Keefe
County Treasurer

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Deputy Treasurer

To: All Supervisors

From: Francis X. O'Keefe, Treasurer

Date: December 28, 2011

Subject: Budget Analysis Report

Budget Analysis Report

The purpose of the monthly budget analysis report is to make the County Supervisors and Administration aware of certain issues that may present a problem in the near future or are currently a problem. It is important that appropriate action be taken to address these issues or concerns before they become a problem.

We have analyzed the revenue and expenditure budgets for the County departments as of November 30, 2011. We have noted the following items Supervisors should be aware of:

Revenues

County Treasurer

Sales Tax - It has been noted that we have collected \$2,487,076 more in sales taxes through November 30, 2011 than we did through November 30, 2010 which is a 6.4% increase.

Note: Included in the \$2,487,076 increase is a \$396,796 adjustment relating to fourth quarter 2010 sales tax from two vendors who did not file their returns correctly last year. If you factor out this adjustment, actual 2011 sales tax has increased \$2,090,280 (5.4%) over 2010.

Interest and Penalties on Real Property Tax – As of November 30, the department has received \$1,664,050 in interest and penalties on real property tax in 2010 and \$1,885,610 in 2011 which is an increase of 13% and exceeds the 2011 budgeted amount by \$485,610.

County Clerk

County Clerk Fees – As of November 30, the department has received \$1,084,194 in County Clerk Fees in 2010 and \$1,117,870 in 2011 which is an increase of 3.1%. It should be noted that the 2011 amount is through October and is at 86% of the budget for this account, so the actual revenue amount received is on target with the budget.

Mortgage Tax – As of November 30, the department has received \$1,282,905 in Mortgage Tax in 2010 and \$1,295,630 in 2011 which is an increase of 1%. It should be noted that the 2011 amount is through October and is at 86% of the budget for this account, so the actual revenue amount received is on target with the budget.

Automobile Use Tax – As of November 30, 2011, the department has received \$396,108 in Automobile Use Tax. It should be noted that this amount is through October and is at 94% of the budget for this account, so the actual revenue amount received is on target to exceed the budget.

Sheriff's 911 Center

Emergency Telephone Surcharge – As of November 30, the department has received \$235,317 in Emergency Telephone Surcharge in 2010 and \$228,965 in 2011 which is a decrease of 3%. It should be noted that the 2011 amount is through October and is only at 72% of the budget for this account, so the actual revenue amount is lagging behind the budget.

Sheriff's Correction Division

Jail Services, Other Government – As of November 30, the department has received \$650,029 in Jail Services, Other Government in 2010 and \$372,627 in 2011 which is a decrease of \$277,402 (43%). It should be noted that this amount is through October and is only at 52% of the budget. If this trend continues for the remainder of the year, the department would be \$190,000 under budget for this revenue account.

Building & Fire Code

Building Permits – As of November 30, the department has received \$105,808 in Building Permits in 2010 and \$123,566 in 2011 which is an increase of 17%. It should be noted that this amount is at 91% of the budget as of November 30, 2011, so the actual revenue amount received is on target with the budget.

Mental Health

Mental Health Programs – Two mental health agencies have not submitted their third quarter expense reports to the County which were due November 15, 2011. We record the quarterly department revenue based on these reports so it is important that they are received timely.

Social Services

State Aid Claims – The department has been unable to submit claims to the State since the September claim was filed in October due to a system lock out by the State as they work on implementing a new claiming system. October and November claims are currently being delayed. The department expects that the system will be operational this week with hopes of claiming October by the end of the year.

Tourism

Occupancy Tax – The department has collected \$57,224 more in occupancy taxes as of November 30, 2011 than we did as of November 30, 2010 which is a 2.1% increase.

Tax Levy Collections

The following table shows the percent of uncollected taxes as of November 30 of each year:

	11/30/2009	11/30/2010	11/30/2011
Tax Levy	36,005,003.00	38,139,044.35	38,553,826.39
Uncollected Taxes	3,809,704.00	3,931,145.00	3,652,325.00
% Uncollected	10.6%	10.3%	9.5%

As noted above, the percent of uncollected taxes has declined as of November 30, 2011 compared to the previous two years.

Expenditures

The following summarizes budgeted expenditure line items where there is currently a problem or there may be a problem in the future. We are reporting on an exception basis only.

<u>Department/Account</u>	<u>Amended Budget</u>	<u>YTD Actual 11/30/2011</u>	<u>YTD Balance 11/30/2011</u>	<u>% Used</u>
<u>General Fund</u>				
Legal Defense - Indigents				
Telephone	225	511	(286)	227%
Justices & Constables				
Legal/Transcript Fees	2,000	2,520	(520)	126%
Medical Examiner & Coroners				
Retirement	3,925	4,581	(656)	117%
Budget Officer				
Retirement	1,018	1,170	(152)	115%
County Clerk				
Salaries - Overtime	500	602	(102)	120%
Board of Elections				
Salaries - Overtime	-	5	(5)	0%
Buildings				
Hospitalization *	114,170	115,058	(888)	101%
Health & Human Svc Bldg				
Salaries - Overtime	2,027	6,035	(4,008)	298%
Public Records				
Salaries - Overtime	200	238	(38)	119%
Sheriff's 911 Center				
Salaries - Overtime*	40,746	41,138	(392)	101%
Sheriff's Correction Division				
Salaries - Overtime*	445,057	454,719	(9,662)	102%
Fire Prevention & Control				
Dental Insurance	-	66	(66)	0%
Hospitalization *	3,130	3,407	(277)	109%
Emergency Medical Service				
Retirement*	-	243	(243)	0%
Ed Phy Handicapped Children				
Salaries - Regular	41,496	39,779	1,717	96%
Narcotics Control - DA				
Automotive Gas & Oil	2,000	2,562	(562)	128%
Mental Health Admin				
Retirees Health Ins*	10,175	11,243	(1,068)	110%
Office For the Aging				
Hospitalization *	16,506	16,941	(435)	103%
OFA SNAP				
Salaries - Regular*	12,977	15,635	(2,658)	120%
OFA HIICAP				
Social Security*	2,311	2,886	(575)	125%
Medicare*	541	678	(137)	125%

* - The amended budget amounts reflect budget amendments approved at the December Board meeting and the actual balances are current as of the date of report
These account balances are still overbudget after factoring in the budget amendments.

<u>Department/Account</u>	<u>Amended Budget</u>	<u>YTD Actual 11/30/2011</u>	<u>YTD Balance 11/30/2011</u>	<u>% Used</u>
<u>County Road</u>				
Traffic Control				
Salaries - Overtime*	2,213	2,346	(133)	106%
<u>Westmount</u>				
Nursing Administration- Clerical & Other Admin				
Retirement*	6,821	6,842	(21)	100%
Nursing - Nurses' Stations- Management & Supervision				
Medicare	5,077	5,474	(397)	108%
Social Security	21,710	23,407	(1,697)	108%
Activities Program- Management & Supervision				
Retirement*	4,373	4,517	(144)	103%
Physical Therapy- Aides, Orderlies, Assistants				
Retirement*	6,313	6,492	(179)	103%
Dietary Service- Management & Supervision				
Medicare*	866	875	(9)	101%
Retirement*	7,423	7,434	(11)	100%
Laundry & Linen Service- Management & Supervision				
Salaries - Regular	6,342	6,306	36	99%
Laundry & Linen Service- FSH HK LL Maintenance				
Salaries - Overtime	1,242	1,312	(70)	106%

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Over time – County Wide

The following table shows the change in the cost of over time for the County as of November 30 of each year:

	<u>11/30/2009</u>	<u>11/30/2010</u>	<u>Change</u>	<u>11/30/2011</u>	<u>Change</u>
Over time	1,238,208.00	1,146,099.00	-7.4%	1,494,219.00	30.4%
% of Budget	80%	76%		85%	

As noted above, the County is spending significantly more for overtime as of November 30, 2011 compared to the prior two years. The following departments have contributed the most to this issue:

	<u>11/30/2010</u>	<u>11/30/2011</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Sheriff Correction Division	246,367	423,255	176,888	72%
Sheriff Law Enforcement	276,749	329,704	52,955	19%
DPW - Snow Removal	54,947	98,212	43,265	79%
Westmount	237,061	271,691	34,630	15%
DPW - Maint of Roads	15,581	27,769	12,188	78%

County Debt

The following shows the County's current debt outstanding as of November 30, 2011:

Bonds	
Public Safety Bldg & Commun Upgrade Bond	14,950,000.00
Recovery Act Bonds, Various Projects	20,965,000.00
Statutory Installment Bond - Airport Hangar	640,000.00
Capital Leases	
Westmount Co-Generation Plant	1,927,494.97
Municipal Center Energy Project	2,123,709.90
Countryside Adult Home Energy Project	259,890.68
Bond Anticipation Notes	
June 2005 Flood Damage	816,666.00
Purchase of Gaslight Village	266,667.00
Abatement & Demolition #1	461,718.00
Abatement & Demolition #2	116,830.00
Corinth Road	3,000,000.00
Sheriff Vehicle/Bridge Rehab	397,000.00
Total Outstanding	<u>45,924,976.55</u>

In June, 2011, we received authorization to borrow \$2.5 million relating to the storm damage and we are deferring the issuance of this debt until 2012.

Again, we invite comments from Supervisors and department heads to expand this into a more useful management tool in these critical financial times.